OCA 2168-89 11 July 1989

MEMORANDUM FOR: The Director

FROM:

E. Norbert Garrett

Director of Congressional Affairs

SUBJECT:

Your Monthly Meeting with Chairman Beilenson

and Mr. Hyde

- 1. On Wednesday, 12 July 1989 at 4:30 p.m. you are scheduled to have your regular "monthly" meeting with Chairman Beilenson and Ranking Minority Member Hyde. Mr. Hyde will not be able to attend this meeting. Dick Kerr and I will accompany you. Tom Latimer and Tom Smeeton will be the attendees from the Committee staff. Your last meeting with the House Intelligence Committee leadership took place on 23 May 1989.
- 2. Mr. Beilenson will have just returned from leading a House Intelligence Committee delegation on a visit to Europe.

3. I have attached talking points to cover the following subjects:

Agency's Opposition to the McCurdy Amendment: While it is unlikely that you will be able to persuade Chairman Beilenson to change his position on the McCurdy Amendment, we believe it is nevertheless important to take the opportunity to state your opposition to this Amendment.

Advance Notice on Intelligence Authorization Bill: I believe you should take this opportunity to express your disappointment with the Committee that it did not consult with you on a major legislative initiative and suggest that in the future the Committee provide advance notice of Amendments that would significantly &ffect the Agency.

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Spousal Leave Sharing Program: The attached talking points are a followup to your June 19, 1989, letter to Chairman Beilenson which provide additional justification for the Agency's request for an extension to the Spousal Leave Sharing Program for one more year.

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E. Norbert Garrett

Attachments:
As Stated

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Talking Points for Opposing McCurdy Amendment

- --There is no reason to legislate a requirement to provide mandatory access to Inspector General reports. I have already agreed to make available to the Committee, in a manner that protects intelligence sources and privacy interest, audit and investigative reports which reveal illegal or improper intelligence activities.
- --Besides audit and investigative reports on illegal intelligence activities, there are also Inspector General reports that involve investigations of individual misconduct and management inspections designed to provide me with a management tool for use in improving the efficiency of the CIA activities.
- --I believe we had worked out acceptable procedures on inspection reports that meet the Committee's needs without undermining the integrity of the inspection process. I am prepared to provide summaries of the inspection reports and arrange to have the Inspector General and other appropriate officials brief you on these reports.
- --I have also made available for Committee review inspection/investigative reports. The purpose of Committee access to the inspection report is to evaluate the process by which the Inspector General conducts investigations, not the substantive information itself. I will consider making other inspection reports available for purposes of evaluation of the Inspector General process. The purpose of access to investigative reports is to allow the Committee to review instances of improper or illegal intelligence activities.
- --The quality of management inspections, which rely heavily upon the willingness of Agency employees to be candid during confidential interviews, will be severely and adversely affected if subjected to routine dissemination outside the Agency. This will diminish the utility of the reports to me, and ultimately, their value to the Agency.

Talking Points for Opposing McCurdy Amendment

- --Confidentiality and Privacy are also the keys to effective investigations of alleged individual misconduct, grievances and E.E.O. cases. Without confidentiality, our ability to expose wrongdoing would be significantly impaired.
- --Inspection reports are my management tool that I use to improve the efficiency and effectiveness of CIA activities. As Director, I am held accountable for the management of the Agency. I would hope that the Committee would have sufficient confidence in my capability to let me perform my duties without reviewing every management inspection and recommendation made to me.
- --The Department of Justice has serious reservations about the constitutionality of this provision. The Committee might well want to solicit the views of the Department on the Inspector General provision.
- --The Inspector General provision is a departure from existing laws governing statutory Inspector Generals in other agencies or departments. These other laws do not mandate that an agency or department provide to the Congress on demand specific reports of inspections done by their Inspector Generals.
- --Mandating that the Agency provide Inspector General reports to the Intelligence Committees imposes legislative rigidity in a sensitive area where trust and flexibility are vitally important. Such an approach should be considered only after all other reasonable alternatives to satisfy legitimate Congressional interest in the quality of the inspection process have been thoroughly explored.

Talking Points on Intelligence Authorization Bill

--I was disappointed that the Committee did not provide me with much advance notice of the existence of the McCurdy Amendment. I learned of the amendment while on a trip to , only one day prior to the amendment's passage.

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- --I was surprised that on an amendment that would have such a significant impact on the Agency, the Committee choose not to consult with me or other senior Agency representatives. Certainly, I have an interest and wish to be informed of such proposals prior to their passage.
- --While the Committee had the opportunity to explore this major issue for quite some time, by failing to provide me advance notice, I was effectively denied the opportunity to voice my opinion on this legislation.
- --I would hope that in the future, HPSCI would institute a policy to provide advance notice of pending major legislative initiatives which have a potential effect on the CIA.
- --I believe it would also be useful to permit an Agency representative to attend the markup of the Intelligence Authorization Bill so that the Committee will have the benefit of the views of the CIA on a particular provision.

TALKING POINTS ON SPOUSAL LEAVE SHARING PROGRAM FOR DCI MEETING WITH CONGRESSMAN BEILENSON ON 12 JULY 1989

Background

At your meeting with Representative Beilenson and Hyde on 11 April 1989, you indicated that the Agency would like to extend its Spousal Leave Sharing Program for one year until September 1990. (The original Talking Points for this meeting are attached at Tab A.) They raised no objection to your request. You sent a followup letter on 24 April 1989 formalizing our request for an extension (See Tab B). Representative Beilenson responded in a letter of 24 May 1989 saying that no other agency is allowed to permit employees to share sick leave and the Committee could see no justification for extending our program (See Tab C).

You replied to his letter on 19 June providing further justification and indicating that the leave sharing would be limited to annual leave. (See Tab D) He has not responded to your letter and this meeting provides the opportunity to provide additional justification for the extension.

Talking Points

The Agency Spousal Leave Program was established in 1988 under the special authorities of the DCI and in agreement with Congressman Stokes rather than under the Federal Employees Leave Sharing Act of 1988. This Act excludes leave sharing for normal maternity reasons.

In response to our request to extend the program, HPSCI advised it should be phased out because: 1) no other Government agency is permitted to share sick leave; 2) OMB opposes sharing sick leave; and 3) the Federal Employees Leave Sharing Act requires the Agency to set up a program to share annual leave for medical emergencies not normal maternity situations.

Employee response to the Spousal Leave Sharing Program has been excellent. There have been 37 requests for leave sharing with a total of 7108 hours shares between Agency tandem couples.

It is in the Agency's interest to provide flexibility to our tandem couples to permit employees working on priority or sensitive projects to remain on duty while supporting their family and avoiding the possibility of financial hardship.

The NAPA report cites the need for an adaptable work environment to meet the needs of today's employees and to retain highly-skilled staff. Our leave-sharing program is part of our effort to meet these needs.

The Volcker Commission report cites the need to make public service more attractive to young people. A leave sharing program would contribute to that effort and help to meet the new realities of the work force that Congresswoman Pat Schroeder cited in a recent letter to the The New York Times (Attachment E) If the Intelligence Community is to remain competitive with the private sector in hiring talented young workers, programs like leave sharing are essential.

Thus far, we have experienced a positive retention rate for program participants. We believe it important to extend the leave sharing program for an additional year to better assess its impact on the Agency and our employees and its potential value to other Federal agencies.

As indicated in your letter of 19 June 1989, we would <u>limit</u> the program to the sharing of annual leave. This should overcome OMB's objection to employees sharing sick leave.

Other Agencies of the Intelligence Community support the extension of this program. Although it is not mentioned specifically in the NAPA Report, leave sharing is one of the employee benefit programs that the interagency review group is including in its recommendations on NAPA's findings.



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TALKING POINTS ON SPOUSAL-LEAVE SHARING Meeting With Reps. Beilenson and Hyde 11 April 1989

- o Last year, CIA implemented a program to allow husbands and wives who are both employed at the Agency to draw on each other's accrued leave when extended absences from work (such as maternity leave) are required.
- o The program is an experiment that, under direction from the Committee (contained in the classified annex to the FY 1989 Intelligence Authorization Act), we must end by 30 September unless a similar program is implemented on a government-wide basis.
- o We think that the program shows great promise.
 - -- To date, 30 CIA employees have used it.
 - Among those who have participated in the program, the rate of those leaving the Agency following pregnancy is well below that observed among those who have not participated in the program. Specifically, 3 percent of those who participated in the program left the Agency following birth of a child, compared to 10 percent attrition following pregnancy among those who did not participate in the program.
 - -- We believe that the program has had a role in this improved retention rate among our female employees.
- o My staff is preparing a letter that I will soon forward to seek an extension of the program for another year. I hope that the Committee will act favorably on the request.

Central Intelligence Agency





24 April 1989

The Honorable Anthony C. Beilenson Chairman, Permanent Select Committee on Intelligence House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

This letter seeks Committee approval to extend the Agency's Spousal Leave Sharing Program for an additional one year in order to assess the effectiveness of the program. Preliminary indications are that the program is a success.

Following my discussions with former Chairman Stokes in March 1988, the CIA implemented a spousal leave sharing program which permits Agency employed couples to donate sick or annual leave to one or the other during the first six months after the birth or adoption of a child. Subsequently, in the classified annex accompanying the FY 1989 Intelligence Authorization Bill, the House Permanent Select Committee directed that the Agency terminate this program after one year.

Let me summarize some of the key reasons why we think this leave sharing program should be continued. Over the last 10 years, the Agency has experienced a significant increase in the number of women employees with a concomitant need for increased use of maternity leave. Indeed, women now compose over 40 percent of the total workforce and nearly 31 percent of the professional ranks. The recent National Association of Public Administration's (NAPA) study as well as a Civil Service study, entitled Civil Service 2000, conclude that the number of working couples will increase substantially during the 1990's. The NAPA study also predicts that employees of the 1990's will feel less and less loyalty to employers. It is imperative that the Federal Government, most especially the Intelligence Community agencies, modify personnel policies to address this trend. We believe the leave sharing program has great potential to strengthen loyalty among our employees and to retain employees we consider to be the most valuable to our mission.

Over 11 percent of Agency employees are now married to other Agency employees. Overseas assignments, and the severe security restrictions under which our people work, simply create the conditions and incentives for our people to seek the company of one another and to marry. With increasing numbers of women entering the workforce, we can expect that the number of married couples will increase.

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The Honorable Anthony C. Beilenson

| | Finally, traditional leave policies lack the flexibility, | 25 X 1 |
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| | to allow adequate infant care without family income loss for a working tandem couple. We have found that there is a desirable | 25X1 |
| | flexibility in the Spousal Leave Sharing Program which permits the employee working on a priority or sensitive project to remain fully productive in a work status while supporting his or her family and avoiding the distractions and threats of financial hardship. | 25 X 1 |
| - | Our experience thus far suggests that the Spousal Leave Sharing Program has paid positive results. For example, among program participants, the rate of those leaving the Agency is well below that observed among those who have not participated in the program. Specifically, 3 percent of those who participated in the program left the Agency following birth of a child, compared to 10 percent attrition following pregnancy among those who did not participate in the program. Thus, we believe the program has had a role in improving the retention rate among female employees. Extending the program by one year will provide a more complete basis for evaluating its contribution to our mission. | 25X1 |
| | I recognize the Committee's concern that our Spousal Leave Sharing Program is unique in the Federal Government and that the Committee prefer that our personnel practices remain in reasonable conformance with the rest of the Federal service. However, I believe that CIA and other members of the Intelligence Community face circumstances which distinguish us from the Federal service and require departure from standard practice if we are to accomplish our unique mission. Agency managers have discussed this program with other members of the Intelligence Community and they support continuing the experiment. Based on the outcome of the experiment, some of these | eter j |
| | In sum, we believe the Spousal Leave Sharing Program provides us with another management tool to help retain the best and most capable staff to meet | 25 X 1 |
| | the intelligence challenges of the future. We would be pleased to meet with you or your staff to discuss this program in detail. | 25 X 1 |
| | I have forwarded a similar letter to the Chairman of the Senate Select | 25 X 1 |

Sincerely yours,

William H. Webster
Director of Central Intelligence

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SUBJECT: Spousal Leave Sharing Program
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INSPECTOR GENERAL

May 24, 1989

Honorable William H. Webster Director of Central Intelligence Washington, D. C. 20505

Dear Judge Webster:

This is in reference to your letter of April 24, 1989 seeking Committee approval to extend the Agency's spousal leave sharing program for an additional year to assess the effectiveness of the program. Based on the information provided in your letter, it seems clear that the program would be attractive to married couples working at the Agency. However, no other government agency is permitted to authorize the sharing of sick leave.

The Federal Employees' Leave Sharing Act of 1988 requires the establishment of a program at the Agency to permit all employees to participate in sharing annual leave in the case of medical emergencies. Given the fact that the Office of Management and Budget has opposed the exchange of sick leave between Federal employees in the case of medical emergencies and that such exchanges are not permitted for other U.S. Government employees, the Committee sees no justification for another extension of the spousal leave exchange program and believes it should be phased out.

Sincerely,

ANTHONY C. BEILENSON

Chairman

Central Intelligence Agency



OCA 1921-89

1 9 JUN 1989

The Honorable Anthony C. Beilenson Chairman, Permanent Select Committee on Intelligence House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your letter of May 24, 1989 regarding the Agency's Spousal Leave Sharing Program. I would like to discuss this matter further with you as I believe we can accommodate your concerns. I feel strongly, however, that the Agency should be given an extension of the Program for a year and wish to emphasize three major points for your consideration:

- * The Federal Leave Sharing Act excludes leave sharing for normal maternity reasons, and thus does not address specific Agency concerns regarding maternity cases—especially those occurring in sensitive areas—e.g., overseas where child care is not reliable.
- ° It is imperative that we provide flexibility to our tandem couples to permit employees working on priority or sensitive projects to remain on duty while supporting the family and avoiding the distractions and threats of financial hardship.
- * Thus far, we have experienced improved retention rates for Program participants, particularly among female employees.

In view of your point regarding the sharing of sick leave, we agree that the Program could be limited to sharing annual leave. I trust that this information alleviates the Committee's primary concern regarding the extension of the Program and look forward to discussing it with you further.

Sincerely yours,

Is/ William H. Webster

William H. Webster Director of Central Intelligence



PATRICIA SCHROEDER

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Congress of the United States House of Representatives

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CONGRESSIONAL CAUCUS FOR WOMEN'S ISSUES, CO-CHAIR

INSPECTOR GENERAL 89-54//

March 27, 1989

New York Times Attn: Letters to the Editor 229 West 43rd Street New York, NY 10036

Dear Editor:

Felice N. Schwartz might have had the best of intentions when she wrote "Management Women and the New Facts of Life" for the Harvard Business Review and reiterated her thesis in "The 'Mommy Track' Isn't Anti-Woman" [NYT, March 22, 1989].

Her arguments, however, are hardly supported by her casual scholarship, which relies on unidentified studies at unnamed corporations about undefined "turnover" rates, facile assertions that begin with phrases like "we know" and "what we know to be true," and an undocumented assumption that women cost more. (In the Review, "women in management" cost more; in the Times, "women in business" cost more.)

The linchpin of Schwartz's thesis was an unidentified study at a single multinational corporation where the turnover rate for female managers was allegedly 2 1/2 times the rate for male managers. Schwartz does not reveal whether the actual rates were an insignificant 1 percent for men and 2.5 percent for women, a significant 40 percent for men and 100 percent for women, or something in between. Moreover, she fails to explore the factors that could have contributed to the difference. Such factors might include poor personnel policies like rigid relocation demands or a lack of parental leave, better job opportunities at other corporations, or downturns in the company's fortunes that prompted more recently hired female managers to seek greener pastures.

Schwartz cites a second unidentified study (apparently of all female employees, not just managers) at another unnamed company where "one half of the women who take maternity leave return to their jobs late or not at all." In other words, one half returned as scheduled, an unspecified number returned, but not on schedule, and an unspecified number did-not return, but for unexplained reasons. If Schwartz is elusive with her statistics, she is equally vague as to whether the company had a formal parental leave program, whether the company welcomed the employees back, or whether the non-returning employees found better work elsewhere.



Formulating corporate employment policies is an important task, and one should not plunge in with stray statistics from secret studies.

Nor should one take the dubious approach of singling out turnover rates among female employees, whether clerks or managers. It should come as no great surprise, but the days of an employee's spending 50 years with a single employer and retiring with a gold watch and a handshake are over. (In fact, thanks to the buy-out, merger, and acquisition mania of the 1980s, the days of a company's lasting even a few years under the same aegis or management—or even under the same name—are diminishing.)

A January 1983 Bureau of Labor Statistics job-tenure survey representing 54 million male and 42 million female workers reported that fewer than 10 percent of workers of either sex had been with their current employers for 25 years or more. Of the 14 million male and 9.5 million female mangers and executives covered by the survey, the median tenure was 6.6 years for males and 4.7 years for females. . . .

In short, few men or women remain with one employer for their entire career, and women's somewhat lower managerial tenures might be explained in part by the fact that women have only recently entered the executive ranks in significant numbers, and by the fact that our species cannot reproduce themselves unless women have babies, a task which customarily requires more time than a coffee break affords. (If men gave birth, paid parental leave would have been written into the Constitution by the Founding Fathers.) . . .

If Schwartz's scholarship is suspect, her two-track career model (future mommies in this corner, future non-mommies in that corner) is singularly quaint--indeed Victorian--in view of what businesses are already doing for men and women.

Impelled by the changing American work force and striving to remain competitive corporations like uswest IBM. ATCT Time Inc., Corning Glassi Queker Dats, and Merck have concluded that productivity and family obligations are not mutually exclusive, that the almighty dollar and the family are not enemies. To accommodate these new realities companies have instituted a wide array of new employment practices including parental leaver flexible and part time schedules, sabbaticals, child cares telecommuting, and job sharing. But workers are not theyonly beneficiaries of these moves. Employers are finding that meeting employees needs makes companies more productive and more competitive.

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Sincerely,

at Schfoeder Congresswoman

